



State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

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060001

October 30, 2006

Gary Hansen
RR 1, Box 298
Fairview, Utah 84629-9512

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Gary Hansen, Black Magic Project, M0190062, Task 1574, Grand County, Utah

Dear Mr. Hansen:

The Division of Oil, Gas and Mining has reviewed your latest submittal for the referenced project and has the following comments that will need to be addressed before the notice can be determined complete:

1. **Map.** The map is of sufficient scale and shows enough detail, but the three mining areas are about seven acres each. Please mark the map so total disturbance is five acres. The disturbance area (five acres) needs to include capstone storage and new and improved portions of roads. For example, if you disturb one acre for construction of new roads, the mining area cannot exceed four acres. A copy of the map you submitted is enclosed with this letter.
2. **Roads.** The map shows what appear to be new roads. Is this correct? Or is there some *portion* of the roads that is new? Please make this clarification and include an acreage figure for new roads or for the expanded portion of existing roads.
3. **Soil.** The text says, "There will be no acid or other toxic by-products to be dealt with. There is very little topsoil in this area but by spreading the humates a better growing surface will be provided."

Humates are often acid-forming and, except where they were originally exposed, they should not be used as soil without first testing the material.
4. **Legal Description.** Please revise the legal description to more accurately describe the areas that would be disturbed by mining. The description in the most recent submittal is for an entire section (not

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precise enough), and the description in the original NOI does not agree with the map.

5. **Format.** The notice needs to be submitted in a consolidated format with all pertinent information in one document.

The Division understands you have been working with the Bureau of Land Management and that you may be revising the mine plan to reflect these discussions. If this is correct, please submit the revised information.

If you have questions about these requirements, please contact Paul Baker at 801-538-5261.

Sincerely,



Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb
Enclosure: Permit Area Map
cc: Frank Bain, Moab BLM
P:\GROUPS\MINERALS\WP\M019-Grand\S0190062-BlackMagic\final\def-10122006.doc

Humate removal practices proposed :

This is a simple excavation project. There will be no waste, no deleterious by-products, no run-off, and very little dust. The two trucks will run relays. There will be a truck returning as a truck is leaving. Both front end loaders will fill the departing trucks. Near shift end one front end loader will drive down to the rail siding and load the coal cars so there will be no overnight stock piling.

To start the heavily broken sandstone cap and the light layer of over burden will be removed and stockpiled, to be replaced in the restoration phase. The over burden constitutes such a small amount of the geological structure in the areas of phases one, two, and three that the cap stone is largely in direct contact with the humates.

The amount of raw humate removed will be weighted by the bucket scales as the front end loader fills the trucks. It will then be carried by truck the four miles to the siding at Westwater Grand County, Utah, loaded into coal cars and removed to Levan, Utah.

The over burden and cap stone will then come back into the space from which the humate was removed. Heavy disking using the sidehill wampascat will be followed by re-seeding in the fall. Each area is restored before another area is opened. The surety bond guarantees this in each section in its turn.

Transportation:

The existing eight to nine foot access road will be improved and used. The creation of a short passing lane will be required at the point where the road turns East and West to insure safe passing of the trucks.

The Northern access road, which has been less used, will become active, but is not part of the first three phases.

Reclamation Plan (3809.401 (b) (3))

While re-grading and re-shaping will be a large part of the restoration, drill hole plugging and pit back filling will not. There will be no acid or

other toxic by-products to be dealt with. There is very little topsoil in this area but by spreading the humates a better growing surface will be provided.

Riparian mitigation is not a factor as the river is over five miles away. Wildlife habitat will be accomplished with re-seeding and re-vegetation of places where disturbance has occurred. including resetting of any trees or big brush.

There will be no permanent buildings of any sort. Fueling and service of all equipment will be mobile. All equipment will be rolling stock, which will drive away at jobs end.

We plan a year round operation, weather permitting.

*Please turn pictures over for restoration
info. 9/8.*